

**CENTER FOR THE PACIFIC-ASIAN  
FAMILY, INC.**

(A Private Not-for-Profit Corporation)

**FINANCIAL STATEMENTS**

For The Year Ended June 30, 2008

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)

**TABLE OF CONTENTS**

	<u>Page</u>
<b>AUDITED FINANCIAL STATEMENTS</b>	
Independent Auditors' Report .....	1
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position .....	2
Statement of Activities .....	3
Statement of Functional Expenses .....	4
Statement of Cash Flows .....	5
Notes to Financial Statements .....	6-11
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Expenditures of Federal and Local Awards .....	12-13
Notes to Schedule of Federal Awards .....	14
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	15-16
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 .....	17-18
Schedule of Findings and Questioned Costs .....	19-20
Schedule of OES Grant Revenues and Expenditures .....	21
Combining Statement of Revenues and Expenditures .....	22

**ROMERO & ASSOCIATES<sub>LLP</sub>**  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Center for the Pacific-Asian Family, Inc.  
Los Angeles, California

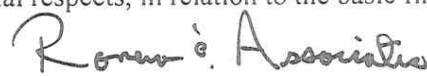
We have audited the accompanying statement of financial position of Center for the Pacific-Asian Family, Inc. (a nonprofit organization) as of June 30, 2008 and the related statement of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Center for the Pacific-Asian Family, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center for the Pacific-Asian Family, Inc. as of June 30, 2008 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 17, 2008 on our consideration of Center for the Pacific-Asian Family, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Center for the Pacific-Asian Family, Inc. taken as a whole. The accompanying schedule of expenditures of federal and local awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not required as part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the accompanying supplemental information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

  
**ROMERO & ASSOCIATES, LLP**  
Certified Public Accountants

October 17, 2008

CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.  
(A Private Not-for-Profit Corporation)  
STATEMENT OF FINANCIAL POSITION  
June 30, 2008

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 572,698
Grant receivable	283,359
Other receivable	295
Prepaid expenses	<u>17,859</u>
Total Current Assets	<u>874,211</u>

FIXED ASSETS

Property and equipment (net)	<u>1,774,468</u>
------------------------------	------------------

Total Assets	<u><u>\$ 2,648,679</u></u>
--------------	----------------------------

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 60,067
Accrued liabilities	82,887
Deferred revenue	9,320
Notes Payable - current portion	<u>105,291</u>
Total Current Liabilities	<u>257,565</u>

LONG-TERM LIABILITIES

Notes Payable	<u>1,329,687</u>
Total Liabilities	<u>1,587,252</u>

NET ASSETS

Unrestricted net assets	<u>1,061,427</u>
-------------------------	------------------

Total Liabilities And Net Assets	<u><u>\$ 2,648,679</u></u>
----------------------------------	----------------------------

See accompanying notes to the financial statements

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Federal awards	\$ 759,413	\$	\$ 759,413
State and local grants	484,242		484,242
Service payback revenue	98,780		98,780
Foundation grants	153,068		153,068
Contributions	45,759		45,759
Special events	60,227		60,227
Other income	9,357		9,357
Contributed services	115,513		115,513
In kind contributions	16,302		16,302
Net assets released from restrictions			
Restrictions satisfied by payments	5,000	(5,000)	
Total Revenue And Support	1,747,661	(5,000)	1,742,661
<b>EXPENSES</b>			
Program Services			
Emergency shelter program	736,367		736,367
Transitional shelter program	412,930		412,930
Community program	228,677		228,677
Total Program Expense	1,377,974		1,377,974
Support Services			
Management and general	272,309		272,309
Fundraising Expenses	78,911		78,911
Total Support Expense	351,220		351,220
Total Expenses	1,729,194		1,729,194
Changes in Net Assets	18,467	(5,000)	13,467
Net Assets - Beginning of Year	1,042,960	5,000	1,047,960
Net Assets - End of Year	\$ 1,061,427	\$	\$ 1,061,427

See accompanying notes to the financial statements

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**

(A Private Not-for-Profit Corporation)

**STATEMENT OF FUNCTIONAL EXPENSES**

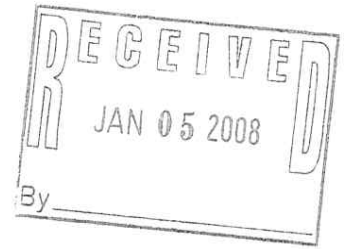
For the year ended June 30, 2008

	Emergency Program	Transitional Program	Community Program	Management & General	Fundraising Expenses	Total Operations
Salaries	\$ 356,386	\$ 216,754	\$ 101,210	\$ 188,133	\$ 37,016	\$ 899,499
Payroll taxes	29,456	18,076	8,220	15,535	3,010	74,297
Employee benefits	56,498	34,464	12,391	13,134	3,478	119,965
Consultants	6,900	8,800	33,585	2,675		51,960
Advertising	410	705	22,150	575	1,056	24,896
Legal, audit and accounting				18,300		18,300
Occupancy and utilities	17,394	7,142	3,172	937	8,263	36,908
Repairs and maintenance	23,320	26,029	184	378	136	50,047
Communications	4,406	3,780	1,213	1,189	297	10,885
Insurance	10,877	6,961	3,000	2,926	745	24,509
Lease and maintenance of equipment	3,351	5,158	963	875	6,940	17,287
Printing and duplication			17,411		3,338	20,749
Travel and transportation	4,629	3,331	2,051	12,263	1,049	23,323
Supplies	37,326	7,739	6,490	1,609	1,777	54,941
Food expense	20,551	1,481			7,368	29,400
Special assistance to clients	82,312	38,480	8,199			128,991
Meeting and conferences	1,935	905	3,115	4,546	298	10,799
Postage and delivery	1,273	427	417	383	2,048	4,548
Equipment and furnishings	1,882	2,460	564			4,906
Depreciation	60,267	25,380	1,903	2,699	359	90,608
Interest expense	12,225					12,225
Other expenses	4,969	4,858	2,439	6,152	1,733	20,151
Total Expenses	\$ 736,367	\$ 412,930	\$ 228,677	\$ 272,309	\$ 78,911	\$ 1,729,194

See accompanying notes to the financial statements



CENTER FOR THE  
PACIFIC ASIAN FAMILY



December 31, 2008

Office of Emergency Services  
Monitoring and Audits Branch  
3650 Shriever Ave  
Mather, CA 95655

Re: Single Audit Report As of June 30, 2008  
Award # DV07221001  
Award # RC07271001

Please find enclosed 1 copy of the Single Audit Report for the Center for the Pacific-Asian Family, fiscal year ended June 30, 2008.

Please feel free to contact me at (323) 653-4045 x201, or via e-mail at [janiceo@cpaf.info](mailto:janiceo@cpaf.info), with any question or concerns.

Sincerely,

Janice Oshiro  
Fiscal Director



**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**STATEMENT OF CASH FLOWS**  
For the year ended June 30, 2008

**OPERATING ACTIVITIES**

Change in net assets	\$ 13,467
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation and amortization	90,608
(Increase) decrease in assets	
Accounts receivable	731
Grant receivable	(38,321)
Prepaid expenses	(2,033)
Increase (decrease) in liabilities	
Accounts payable	28,097
Accrued liabilities	7,137
Deferred revenue	(21,368)
Refundable advances	<u>(7,679)</u>
Net cash used in operating activities	70,639

**INVESTING ACTIVITIES**

Purchase of property and equipment	<u>(27,151)</u>
Net cash used in investing activities	(27,151)

**FINANCING ACTIVITIES**

Repayment of debt	(105,057)
Principal additions due to accrued interest	<u>11,543</u>
Net cash provided by financing activities	<u>(93,514)</u>

Net increase in cash and cash equivalents	(50,026)
Cash and cash equivalents, beginning of year	<u>622,724</u>
Cash and cash equivalents, end of year	<u>\$ 572,698</u>

**Supplemental disclosure of cash flow information:**

Cash paid for interest and taxes is \$682 and \$0 respectively.  
Change in net assets includes \$98,780 of revenue related to debt forgiven based on service provided which is a non-cash transaction.



# CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.

(A Private Not-for-Profit Corporation)

## NOTES TO FINANCIAL STATEMENTS

June 30, 2008

### NOTE 1 – GENERAL INFORMATION

#### Organization

Established in 1978, Center for the Pacific-Asian Family, Inc. (CPAF) is a non-profit organization recognized nationally for its pioneering work in domestic violence, sexual assault and child abuse service in the Los Angeles Asian Pacific Islander community. CPAF created the first multi-lingual 24 hour hotline assisting Asian and Pacific Islander survivors of domestic violence and sexual assault in the nation, as a result of a needs-assessment conducted in six Asian Pacific Islander communities in Los Angeles. In 1981, CPAF opened the first multi-lingual and multi-cultural Domestic Violence Emergency Shelter in the nation that specialized in serving Asian Pacific Islanders survivors of domestic violence. Thereafter, CPAF was also the first to open a multi-lingual and multi-cultural Transition Shelter focusing on the needs of survivors who seek to establish independent, violent-free lives. In 2005, CPAF added its Community Program, focused on community education and violence prevention services.

#### Description of Services

CPAF's programs provide comprehensive services outlined below, all of which are free of charge and conducted in over 15 Asian and Pacific Islander languages.

- 24-Hour Crisis Intervention Hotline – CPAF provides crisis intervention services 24/7 to survivors of domestic violence, sexual assault and child abuse in 15 different Asian and Pacific Islander languages.
- Shelter- CPAF operates an emergency shelter and a transitional shelter in Los Angeles County.
- Case Management – Advocate conduct intake, develop a case plan, then meet weekly with each client to assist in achieving proposed plan, and to reassess and adjust plan as needed.
- Safety Planning – Staff assess each family's safety needs and concerns, devise a safety plan during their stay at the shelter, and devise another safety plan before exiting the program into permanent housing.
- Individual, Family, and Group Counseling – Staff provide emotional support to clients individually and as a family, and also facilitate regular group meetings where residents provide peer support to each other.
- Children Services – Each child is provided with psychosocial assessment, case management plan, and accompanying services, including individual and group counseling, case management, after school programming, and recreational activities. CPAF also provides free full-time childcare and development services at its Transitional Shelter.
- Advocacy and Accompaniment – Because most of CPAF's clients have limited English proficiency, CPAF staff frequently advocates on behalf of and often accompanies clients before courts, law enforcement agencies and social services agencies.
- Asian and Pacific Islander Translation/Interpretation
- Emergency Transportation and Accompaniment – Staff provides transportation and accompaniment to important meetings like court appearances, medical and legal appointments.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2008

**NOTE 1 – GENERAL INFORMATION** (continued)

Description of Services (Cont'd)

- Legal Assistance – Advocates work closely with legal advocacy organizations to provide free services for clients with pressing legal matters
- Parenting Workshop & Individual Coaching Sessions – Mothers are given the opportunity to engage in an open dialogue while learning about child development issues and practical nonviolent parenting skills.
- Life Skills and Self-Sufficiency Workshops – Advocates and volunteers provide instruction and support to help resident achieve degrees of cultural transition and prepare for independent living with topics such as English as Second Language (ESL), financial literacy, job search, nutrition and health, stress management, and apartment hunting.
- Sexual Assault Response Team (SART) Accompaniment – CPAF's Emergency Program staff and volunteers provide SART accompaniment as requested.
- Prevention & Community Education Programs – Rape prevention and dating violence prevention workshops at high schools and colleges, presentations and outreach on domestic violence and sexual assault awareness, and Lotus Café performances on survivor stories.
- Community Capacity Building – Cultural Competency workshops are provided for frontline workers (law enforcement, healthcare providers, domestic violence shelter and rape crisis center staff, etc.) who regularly assist survivors of domestic violence and sexual assault; domestic violence and sexual assault trainings are provided to those who regularly assist Asian and Pacific Islander families.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The records of CPAF are maintained on the accrual basis of accounting. Using this method, revenue is recognized when earned and expenses are recognized when incurred. Revenues on contracts are recognized once expenditures related to contract revenues are expended.

Accounting principles generally accepted in the United States of America require that the Organization present information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, CPAF considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.  
(A Private Not-for-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2008

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

In kind Contributions

The value of significant donated materials is reflected as contributions in the financial statements if an objective basis is available to measure the fair value of such material at the date of donation. During the fiscal year ended June 30, 2008, CPAF received donated materials in the amount of \$16,302.

Donated Services

Support arising from donated services is recognized if the services received require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, and would be reflected as unrestricted net assets based on the fair value of volunteer services performed for CPAF. There was contribution of services totaling \$115,513 that met the criteria for the fiscal year ending June 30, 2008.

Expense Allocation

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on methods determined by management.

Income Tax Status

CPAF is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. In addition, CPAF qualifies as a public charity under Section 509(a) (1) and Section 170(b) (1) (A) of the Internal Revenue Code.

Fixed Assets

Property and equipment are stated at cost or, if contributed, at fair value at the date of acquisition. Property and equipment is depreciated using the straight-line method over the estimated useful life of the asset. Certain assets are purchased with governmental grants or contracts funds and disposition of such assets and the ownership of any proceeds are subject to federal and state regulations.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reporting of assets, liabilities, revenues, and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates.

CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.  
(A Private Not-for-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2008

**NOTE 3 - ACCUMULATED VACATION AND SICK LEAVE**

Accumulated unpaid employee vacation benefits are recognized as liabilities of CPAF. The liability is recognized in the program to which the liability relates. The liability as of June 30, 2008 is \$30,002.

Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulate sick leave. Accordingly, employee sick leave benefits are not recognized as liabilities of CPAF since payment of such benefits is not probable or estimable. Therefore, sick leave benefits are recorded as expenditures in the period sick leave is taken.

**NOTE 4 - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

		Useful <u>Lives</u>
Land	\$ 319,754	
Buildings	297,600	30 years
Building improvements	1,776,435	30 years
Vehicles	42,982	5 years
Furniture and equipment	<u>282,363</u>	5 years
Total property and equipment	2,719,134	
Less: Accumulated depreciation	<u>(944,666)</u>	
Net Property and Equipment	<u>\$ 1,774,468</u>	

**NOTE 5 - PENSION PLAN**

CPAF offers a 403(b) tax shelter annuity plan. All full-time employees are eligible to participate and include a match of 2% for all employees with one or more years of service. Plan expense for the year is \$6,441.

**NOTE 6 - NOTES PAYABLE**

Note Payable to the Community Development Department in monthly installment of \$580 including interest at 3.50% per annum until January 5, 2011; secured by First Deed of Trust \$ 16,075

CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.

(A Private Not-for-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS

June 30, 2008

**NOTE 6 - NOTES PAYABLE** (continued)

Note Payable to the Community Redevelopment Agency of the City of Los Angeles and to be paid with 100% residual receipts including interest at 3.00% per annum maturing December 27, 2018 or longer, provided the project is feasible, as defined under the agreement; secured by Second Deed of Trust. Unpaid accrued interest is rolled over annually and added to principal. 266,072

Note payable to the City of Los Angeles for the development and rehabilitation of domestic violence shelter housing. These notes are as follows:

The note, secured by First Deed of Trust, amounts to \$998,500 and is to be repaid by providing services at the rate of \$49,925 per year with no interest from the date of occupancy or completion, with no maturity date. 586,619

The note, secured by Second Deed of Trust, amounts to \$350,545 and is to be repaid by providing services at the rate of \$17,527 per year with no interest from the date of occupancy or completion, with no maturity date. 205,947

Note payable to the Community Development Department for the acquisition, predevelopment, and rehabilitation of transitional shelter housing. These notes are as follows:

The note, secured by First Deed of Trust, amounts to \$502,486 and is to be repaid by providing services at the rate of \$25,124 per year with no interest from the date of occupancy or completion, with no maturity date. 292,116

The note, secured by Second Deed of Trust, amounts to \$124,081 and is to be repaid by providing services at the rate of \$6,204 per year with no interest from the date of occupancy or completion, with no maturity date. 68,149

Total notes payable	1,434,978
Less current portion	(105,291)
Long-term notes payable	<u>\$ 1,329,687</u>

CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.  
(A Private Not-for-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2008

**NOTE 6 - NOTES PAYABLE** (continued)

Maturities of long-term debt:

<u>Year</u>	<u>Amount</u>
2009	\$ 105,291
2010	105,522
2011	101,633
2012	98,790
2013	98,790
Thereafter	<u>924,952</u>
	<u>\$ 1,434,978</u>

**NOTE 7 – CONCENTRATION OF CREDIT RISK**

The Federal Deposit Insurance Corporation insures cash in checking, money market and savings accounts up to \$100,000. The sum of the balance in excess of \$100,000 at June 30, 2008 is \$472,108.

**NOTE 8 - LEASE COMMITMENTS**

CPAF has entered into a lease agreement for office equipment. The following is a schedule of future minimum rental payments required under the lease, which has a term in excess of one year as of June 30, 2008.

<u>Fiscal year ending</u>	<u>Equipment</u>
2008	\$ 2,196
2009	2,196
2010	2,196
2011	1,830

**NOTE 9- CONTINGENCIES**

CPAF has received governmental funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material. Contracts are also subject to an annual renewal process.

## SUPPLEMENTARY INFORMATION

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND LOCAL AWARDS**  
For the year ended June 30, 2008

Federal Grantor / Pass-Through Program	Grantor / Federal CFDA Number	Agency or Pass- through Number	Loan Funds	Federal Disbursements/ Expenditures
<u>US Department of Housing &amp; Urban Development</u>				
Passed through:				
City of Los Angeles				
Community Development Block Grant/ Entitlement Grants	14.218	C-93559	\$ 792,566	
Community Development Block Grant/ Entitlement Grants	14.218	C-94336	360,264	
Sub-total			<u>1,152,830</u>	
Passed through:				
City of Los Angeles				
Community Development Block Grant/ Entitlement Grants	14.218	109801		\$ 78,109
Community Development Block Grant/ Entitlement Grants	14.218	109801		<u>10,233</u>
Sub-total				<u>88,342</u>
Passed through:				
Los Angeles Homeless Services Authority				
Supportive Housing Program	14.235	CA16B50049		<u>114,723</u>
Total US Department of Housing & Urban Development			<u>1,152,830</u>	<u>203,065</u>
<u>US Department of Health &amp; Human Services</u>				
Passed through:				
State of California Office of Emergency Services				
Family Violence Prevention & Services	93.671	DV07221001		<u>64,237</u>
				<u>64,237</u>
Passed through:				
County of Los Angeles Department of Public Social Services				
Community Services Block Grant	93.569	35169		31,110
Community Services Block Grant	93.569	35169		<u>30,129</u>
				<u>61,239</u>
Passed through:				
County of Los Angeles Community and Senior Services				
Temporary Assistance for Needy Families	93.558	50131		<u>140,000</u>
Total US Department of Health & Human Services				<u>265,476</u>
<u>US Department of Justice</u>				
Passed through:				
State of California Office of Emergency Services				
Crime Victim Assistance	16.575	RC07271001		67,547
Crime Victim Assistance	16.575	DV07221001		<u>98,520</u>
				<u>166,067</u>
Violence Against Woman Formula Grant	16.588	DV07221001		5,195
Transitional Housing Assistance for Victims of Domestic Violence	16.736	2005-WHAX0037		<u>89,148</u>
Passed through:				
Legal Aid Foundation of Los Angeles				
Legal Assistance for Victims	16.524	2005-WL-AX-0002		<u>8,544</u>
Total US Department of Justice				<u>268,954</u>
<u>US Department of Homeland Security</u>				
Passed through:				
Los Angeles Emergency Food & Shelter Local Program Board				
Emergency Food & Shelter National Board Program	97.024	Phase 25		7,679
Emergency Food & Shelter National Board Program	97.024	Phase 26		<u>14,240</u>
Total US Department of Homeland Security				<u>21,919</u>
Total Federal Awards			<u>\$ 1,152,830</u>	<u>\$ 759,414</u>

The accompanying notes are an integral part of this schedule



CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.  
(A Private Not-for-Profit Corporation)  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND LOCAL AWARDS**  
For the year ended June 30, 2008

Federal Grantor / Pass-Through Program	Grantor / Federal CFDA Number	Agency or Pass- through Number	Loan Funds	Federal Disbursements/ Expenditures
<b>State &amp; Local Awards</b>				
State of California - Office of Emergency Services				
Statewide Domestic Violence Assistance Program		DV07221001	\$	\$ 32,118
State Penalty Assessment Fund		RC07271001		24,671
Sub-total				<u>56,789</u>
County of Los Angeles - Community and Senior Services				
Domestic Violence - Emergency Shelter Program		50107		32,502
Domestic Violence - Emergency Shelter Program		DVSBP-7		32,500
Domestic Violence - Emergency Shelter Program		DVSBP-8		<u>32,500</u>
Sub-total				<u>97,502</u>
California Department of Public Health / Maternal, Child & Adolescent Health		05-45019		221,329
California Department of Public Health - Rape Prevention Education		05-45571		25,006
AB1733				
Special Services for Groups				36,648
State of California Department of Housing and Community Development				
Emergency Housing and Assistance Program		06-EHAP-2661		22,484
Emergency Housing and Assistance Program		06-EHAP-2634		<u>18,659</u>
				<u>41,143</u>
State of California Department of Education				
Little Tokyo Service Center				<u>5,825</u>
Total State & Local Awards			\$	<u>\$ 484,242</u>

## NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Center for the Pacific-Asian Family, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

## NOTE 2 – LOANS OUTSTANDING

CPAF has loan balances outstanding at June 30, 2008. These outstanding loan balances are included in federal expenditures.

Community Development Block Grant	\$ 792,566
Community Development Block Grant	<u>360,264</u>
	<u>\$1,152,830</u>

# **ROMERO & ASSOCIATES<sub>LLP</sub>**

Certified Public Accountants

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of  
Center for the Pacific-Asian Family, Inc.  
Los Angeles, California

We have audited the financial statements of Center for the Pacific-Asian Family, Inc. as of and for the year ended June 30, 2008, and have issued our report thereon dated October 17, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### **Internal Control over Financial Reporting**

In planning and performing our audit, we considered Center for the Pacific-Asian Family, Inc.'s internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Center for the Pacific-Asian Family, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. Finding 07-1.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS (Continued)**

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether for the Center for the Pacific-Asian Family, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of Center for the Pacific-Asian Family, Inc. in a separate letter dated October 17, 2008.

Center for the Pacific-Asian Family, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Center for the Pacific-Asian Family, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



**ROMERO & ASSOCIATES, LLP**  
Certified Public Accountants

October 17, 2008

**ROMERO & ASSOCIATES<sub>LLP</sub>**  
Certified Public Accountants

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

To the Board of Directors of  
Center for the Pacific-Asian Family, Inc.  
Los Angeles, California

**Compliance**

We have audited the compliance of Center for the Pacific-Asian Family, Inc. (a nonprofit organization) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. Center for the Pacific-Asian Family, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Center for the Pacific-Asian Family, Inc.'s management. Our responsibility is to express an opinion on Center for the Pacific-Asian Family, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Center for the Pacific-Asian Family, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Center for the Pacific-Asian Family, Inc.'s compliance with those requirements.

In our opinion, Center for the Pacific-Asian Family, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

**Internal Control Over Compliance**

The management of Center for the Pacific-Asian Family, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Center for the Pacific-Asian Family, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 (Continued)**

test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Center for the Pacific-Asian Family, Inc.'s internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination or control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is a more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit management, the Board of Trustees, others within the entity and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



**ROMERO & ASSOCIATES, LLP**  
Certified Public Accountant

October 17, 2008

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
 (A Private Not-for-Profit Corporation)  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 For the year ended June 30, 2008

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditor's report issued: **Unqualified**

Internal control over financial reporting:

Material weakness(es) identified?      ☐ yes      ☒ no

Significant deficiency(ies) identified not  
 Considered to be material weaknesses?      ☒ yes      ☐

Noncompliance material to financial  
 statements noted?      ☐ yes      ☒ no

**Federal Awards**

Internal Control over major programs:

Material weakness(es) identified?      ☐ yes      ☒ no

Significant deficiency(ies) identified not  
 considered to be material weaknesses?      ☐ yes      ☒ none reported

Type of auditor's report issued on  
 compliance for major programs: **Unqualified**

Any audit findings disclosed that are required to  
 be reported in accordance with

Circular A-133, Section .510(a)?      ☐ yes      ☒ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.218	US Department of Housing and Urban Development Community Development Block Grant
16.575	U.S. Department of Justice Crime Victims Assistance

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the year ended June 30, 2008

Dollar threshold used to distinguish between  
Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?   X   yes      no

**Section II - Financial Statement Findings**

**1. No Current Year Findings:**

**2. Prior Year Findings:**

Finding 07-1 – Financial Statement Presentation

Observation:

Based on the review of the system that provides information for the preparation of financial statements we noted that in some instances certain program and management and general expenses are posted to one account rather than separating the accounts between direct program expenses and management and general expenses. This issue makes it difficult to separate program services from support services for financial statement purposes. We noted no issues with the direct allocation of costs to programs from a program compliance standpoint.

Recommendation:

CPAF's current system should be modified to address the above issue. Additional accounts should be added to track management and general expenses or an account segment can be used if the system permits.

Agency Response:

While the direct allocation of costs to programs has been effective, management agrees the current system can be further enhanced to better delineate management and general expenses for the purpose of financial statement presentation. Management has begun making system modifications in accordance with the auditor's recommendation to meet this need.

Status:

Recommendation was fully implemented with the exception of minor modifications to the allocation of selected administrative personnel

**Section III - Federal Award Findings and Questioned Costs**

NONE



**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**SCHEDULE OF GRANT REVENUES AND EXPENDITURES**  
**OES-DV and OES-RC**  
For the year ended June 30, 2008

Grant No. DV07221001

Revenues \$200,070

Expenditures:	<u>7/1/07-6/30/08</u>	<u>Cash Match</u>	<u>In-Kind Match</u>	<u>Total</u>
Personnel services	\$ 162,036	\$ 21,692	\$ 9,476	\$ 193,204
Operating expenses	38,034		12,734	50,768
Equipment				-
	<u>\$ 200,070</u>	<u>\$ 21,692</u>	<u>\$ 22,210</u>	<u>\$ 243,972</u>

Grant No. RC07271001

Revenues \$92,218

Expenditures:	<u>7/1/07-6/30/08</u>	<u>Cash Match</u>	<u>In-Kind Match</u>	<u>Total</u>
Personnel services	\$ 70,727	\$ 13,354	\$ 3,533	\$ 87,614
Operating expenses	21,491			21,491
Equipment				
	<u>\$ 92,218</u>	<u>\$ 13,354</u>	<u>\$ 3,533</u>	<u>\$ 109,105</u>

The accompanying notes are an integral part of this schedule

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
(A Private Not-for-Profit Corporation)  
**COMBINING STATEMENT OF REVENUES AND EXPENDITURES**  
For the year ended June 30, 2008

	Emergency Program	Transitional Program	Community Program	Management & General	Fundraising	Fixed Asset	Total
<b>REVENUE AND SUPPORT</b>							
Federal awards	\$ 387,004	\$ 288,364	\$ 84,046	\$	\$	\$	\$ 759,414
State and local grants	275,806	120,843	87,593				484,242
Service payback revenue						98,780	98,780
Foundation grants	24,565	18,299	52,776	52,237	5,191		153,068
Contributions			6,240		39,519		45,759
Special Events					60,227		60,227
Other income				9,356			9,356
Contributed services	65,660	28,220	21,633				115,513
In kind contributions	16,302						16,302
Total Revenue and Support	<u>769,337</u>	<u>455,726</u>	<u>252,288</u>	<u>61,593</u>	<u>104,937</u>	<u>98,780</u>	<u>1,742,661</u>
<b>EXPENSES</b>							
Salaries	441,984	269,039	123,990	19,863	44,624		899,500
Payroll taxes	36,300	22,354	10,108	1,702	3,833		74,297
Employee benefits	61,555	37,624	13,711	3,099	3,977		119,966
Consultants	6,900	8,800	33,585	2,675			51,960
Advertising	410	705	22,150	575	1,056		24,896
Legal, audit and accounting	5,000	1,500		11,800			18,300
Occupancy and utilities	17,847	7,430	3,290		8,338		36,905
Repairs and maintenance	23,509	26,144	226		168		50,047
Communications	4,801	4,024	1,316	379	366		10,886
Insurance	11,856	7,575	3,253	916	909		24,509
Lease and maintenance of equipment	3,571	5,304	1,022	411	6,979		17,287
Printing and duplication			17,411		3,338		20,749
Travel and transportation	4,835	3,496	2,115	11,794	1,084		23,324
Supplies	37,789	8,035	6,616	646	1,855		54,941
Food expense	20,551	1,481			7,368		29,400
Special assistance to clients	82,312	38,480	8,199				128,991
Meeting and conferences	1,935	905	3,115	4,546	298		10,799
Postage and delivery	1,375	490	437	181	2,065		4,548
Equipment and furnishings	1,882	2,460	564				4,906
Depreciation						90,608	90,608
Interest expense	12,225						12,225
Other expenses	5,192	4,994	2,493	5,701	1,770		20,150
Total Expenses	<u>781,829</u>	<u>450,840</u>	<u>253,601</u>	<u>64,288</u>	<u>88,028</u>	<u>90,608</u>	<u>1,729,194</u>
Changes in Net Assets	<u>(12,492)</u>	<u>4,886</u>	<u>(1,313)</u>	<u>(2,695)</u>	<u>16,909</u>	<u>8,172</u>	<u>13,467</u>
Other Changes in Net Assets							
Purchase of furniture and equipment		(10,125)		(17,025)			(27,150)
Net Changes in Net Assets	<u>\$ (12,492)</u>	<u>\$ (5,239)</u>	<u>\$ (1,313)</u>	<u>\$ (19,720)</u>	<u>\$ 16,909</u>	<u>\$ 8,172</u>	<u>\$ (13,683)</u>

The accompanying notes are an integral part of this schedule